

Comptroller General of the United States

Washington, D.C. 20548

Decision

Matter of: All Star Maintenance, Inc.

File: B-271119

Date: June 17, 1996

David W. Croysdale, Esq., and Mitchell W. Quick, Esq., Michael, Best & Friedrich, for the protester.

Benjamin N. Thompson, Esq., Thompson & Godwin, for Eastern Maintenance & Services, Inc., an intervenor.

Stephen T. Orsino, Esq., Diane D. Hayden, Esq., and George N. Brezna, Esq., Department of the Navy, for the agency.

Tania L. Calhoun, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that contracting agency's evaluation of offerors' proposals was unreasonable is denied where the record shows that the evaluation was reasonable and consistent with the solicitation's evaluation criteria.

DECISION

All Star Maintenance, Inc. protests the award of a contract to Eastern Maintenance & Services, Inc. under request for proposals (RFP) No. N62477-95-R-0099, issued by the Department of the Navy for base family housing maintenance at the Naval Air Station in Patuxent River, Maryland. All Star argues that the Navy's evaluation of the offerors' proposals and its subsequent best value determination were unreasonable.

We deny the protest.

The solicitation, issued August 18, 1995, anticipated the award of a combination fixed-price, indefinite quantity contract to be performed over 1 base year, with up to 4 option years. The maintenance and repair of the 790 family housing units and real property at issue includes change of occupancy work, service calls, janitorial services, painting, appliance replacement, grounds maintenance, and pest control services. Award would be made to the offeror whose proposal was the most advantageous to the government, considering three equally important evaluation criteria: technical/management, past performance, and price.

The technical/management criterion consisted of three equally important factors: staffing, method of operation, and relevant experience. The past performance

criterion involved a review of the references for each project listed under the relevant experience factor; the Navy's conclusions here would be highly influential in determining the relative merits and risk associated with an offeror's overall proposal in a comparative assessment with all competitors to determine the offer considered most advantageous to the government. Price, not at issue here, would be evaluated for realism and reasonableness.

Five proposals were submitted by the October 3 closing date. In evaluating the proposals, the Navy assigned both a subjective risk rating and an overall adjectival rating to each proposal, and eliminated two proposals from the competitive range. After conducting discussions and evaluating the discussion responses, the Navy narrowed the competitive range to two proposals, those of All Star and Eastern. Best and final offers (BAFO) were submitted on January 23, 1996, and the agency conducted its final evaluation. Both offerors received identical low risk and exceptional overall ratings. Eastern's price was \$10,334,303 and All Star's price was \$10,760,488.

The source selection advisory board (SSAB) was presented with the evaluation results and determined that Eastern's proposal represented the best value to the government:

"Both Eastern and All Star have several similar strengths. They have offered an experienced, empowered project manager, and an automated management system. The offerors possess the financial capability to successfully perform the contract and they have a reputation of satisfactory performance. Eastern also offers the government an extended warranty on all service call work and a commitment to customer satisfaction by ensuring the project manager will visit units that had after hours emergency or urgent work performed to ensure customer satisfaction. Although All Star's status as the incumbent is considered a strength because they will continue to operate from their currently leased facility and they are already mobilized, these strengths are not considered significant to offset the cost difference. . . . There is no quantifiable value which would support award to All Star at \$416,185.16 above that of the technically exceptional lower priced offer submitted by Eastern."

Page 2 B-271119 40067

¹The risk rating was based on the quantity or severity of weaknesses or deficiencies, whether they were balanced by any strengths, and the strength of the offeror's past performance. The agency used this risk assessment, the list of strengths and weaknesses or deficiencies, and the results of past performance interviews to arrive at an overall adjectival rating (exceptional, acceptable, marginal, or unacceptable). Adjectival ratings were not assigned to each criterion or factor.

After considering the findings of the SSAB and the technical evaluation reports, the source selection authority (SSA) concurred, and Eastern was awarded the contract on January 29. This protest followed.

All Star argues that the Navy's assignment of identical ratings to both offerors was unreasonable. All Star contends that Eastern's proposal was not equivalent to its own under any of the technical/management factors, and that its lack of experience in this type of work should have merited its proposal no better than a moderate risk rating associated with its past performance.

In reviewing protests against allegedly improper evaluations, it is not our role to reevaluate proposals. Rather, our Office examines the record to determine whether the agency's judgment was reasonable and in accord with the RFP's stated evaluation criteria. <u>ESCO, Inc.</u>, 66 Comp. Gen. 404 (1987), 87-1 CPD ¶ 450. A protester's mere disagreement with the agency's conclusions does not render the evaluation unreasonable. Id. Further, source selection officials in negotiated procurements have broad discretion in determining the manner and extent to which they will make use of the technical and price evaluation results subject only to the tests of rationality and consistency with the RFP's evaluation criteria. Bunker Ramo Corp., 56 Comp. Gen. 712 (1977), 77-1 CPD ¶ 427; Grey Advertising, Inc., 55 Comp. Gen. 1111 (1976), 76-1 CPD ¶ 325. Our review of the record shows that the agency's actions here were reasonable.

Staffing

All Star's proposal was evaluated as having five strengths under the staffing factor: an empowered project manager; simplified mobilization and minimized start-up risk due to its incumbency; outstanding financial capability with respect to mobilization and start-up; a highly experienced program manager; and the use of subcontractors currently performing these requirements. Eastern's proposal was evaluated as having two strengths: an empowered project manager and the use of a subcontractor currently performing these requirements.² No weaknesses or deficiencies were detected in either proposal.

All Star argues that it should have been rated superior to Eastern because its proposal had five identified strengths while Eastern's had two under the staffing factor.

Page 3 B-271119

²We are not persuaded by All Star's argument that the source selection decision incorrectly characterized Eastern's financial capability as an additional strength. The decision, quoted above, merely acknowledges that both firms were financially capable, a factor of concern to the agency with respect to the firms' ability to mobilize.

As a preliminary matter, as explained above, the agency did not assign ratings to the proposals under each evaluation factor. Thus, in the context of the evaluation methodology used here, in essence All Star is arguing that its asserted superiority in the staffing area--as reflected in its greater number of assigned strengths--should have been reflected in a higher overall adjectival rating relative to Eastern's proposal. We find this argument unpersuasive. As the agency correctly notes, proposals were evaluated against the evaluation factors in the RFP, not relative to each other. Thus, there is nothing per se unreasonable about assigning the same adjectival rating to proposals with different numbers of identified strengths. Moreover, with respect to the ultimate selection decision, the record shows that the decision was based not on a mechanical application of the adjectival ratings, but on an assessment of the relative merits of the proposals as reflected in the underlying narrative assessments. The SSA considered the different strengths identified in the proposals--for example, the SSA recognized that a number of All Star's strengths derived from its incumbency--and ultimately concluded that the additional strengths identified in All Star's proposal did not represent a significant difference overall between the proposals.

In sum, the record shows that the differences between the proposals were recognized, explained, and considered; the protester's disagreement with the SSA's judgment as to the value to the agency of its additional strengths identified in its proposal simply is not sufficient to show that the decision was unreasonable.

Method of Operation

All Star's proposal was evaluated as having three strengths under the method of operation factor: it would not have to establish a new facility; it had well-established relationships with local suppliers; and its computer database had proven to be an asset. Eastern's proposal was evaluated as having four strengths: it proposed to use an automated inventory management system; its list of suppliers showed that it had thought through its operations; it proposed a 60-day warranty on all service call work; and it showed a desire to ensure customer satisfaction in proposing to have its project manager visit units that had after-hours emergency or urgent work and its quality control representative follow up on at least some service calls. No weaknesses or deficiencies were detected in either proposal.

All Star argues that the Navy improperly determined that Eastern's proposal of a warranty on service calls was a strength. The protester contends that the RFP requires rework of service calls which have been unsatisfactorily completed and have poor workmanship at the contractor's expense, with no time limit, and that Eastern's proposal merely meets those requirements.

However, the Navy interpreted Eastern's proposal of a warranty on "all" service calls to encompass not only those service calls defined as "rework"—those which

Page 4 B-271119

had been unsatisfactorily completed--but also those that had been satisfactorily completed but subsequently failed. In such cases, the warranty would entitle the government to have the repair made during the warranty period notwithstanding acceptance of the work. While All Star argues that Eastern's proposed warranty only applies to "rework," the proposal clearly states that "[a]ll . . . service call work will be guaranteed for 60 days" Under the circumstances, we cannot find the agency's interpretation, or its conclusion, unreasonable.³

Relevant Experience

The relevant experience factor addressed the adequacy of an offeror's experience in performing work of the same or similar scope. According to the RFP, "[r]eferences provided for this factor should be the same or similar to the scope of work contained herein (e.g. Housing or Residential Maintenance) including similar staffing requirements, complexity, contract duration, contract type and dollar range."

All Star's proposal was evaluated as having a strength for its extensive experience in base housing maintenance, particularly as the incumbent contractor here. Each of the five projects evaluated was for more units than required here, with a similar scope of work (service calls, change of occupancy, appliance repair, project management, grounds, and pest control). The Navy concluded that All Star was unquestionably qualified to perform the work here, and that its experience greatly reduced the risk it might fail.

Eastern's proposal was not awarded any strengths under the relevant experience factor. Two of the seven contracts evaluated were for military family housing maintenance, and the Navy believed that both included work similar to that required here--service calls, project management, change of occupancy, grounds, and janitorial. The Navy concluded that, "[a]lthough smaller, the experience gained on these jobs should help ensure success on this contract." The Navy also reviewed three contracts for janitorial services and two contracts for asbestos abatement and noted that both types of work were required as part of this contract. The Navy considered this to be relevant experience, but insufficient to merit a strength.

All Star has given us no reason to agree with its position that the Navy improperly considered all of these contracts in assessing Eastern's relevant experience. The two military family housing maintenance contracts are obviously similar to this one, and the remaining contracts consisted of work that will be done on this contract

Page 5 B-271119

40067

³All Star's argument that urgent or emergency service calls amount to only a small portion of the contract and that Eastern should not have been given a strength for proposing to have its project manager follow up on these calls misses the Navy's point—that this proposal indicated Eastern's desire to ensure customer satisfaction.

and are, thus, similar. Since the Navy specifically noted the limitations of Eastern's experience, and clearly considered All Star to be superior here, we have no basis to question the evaluation.

Risk Rating

All Star argues that Eastern's lack of experience with military family housing maintenance contracts should have merited its proposal no more than a moderate risk rating associated with its past performance.

As an initial matter, the risk rating is not strictly associated with the offeror's past performance. As noted above, the Navy based the risk rating on an overview of the quantity or severity of weaknesses or deficiencies in the proposal, whether they were balanced by any strengths, and the strength of the offeror's past performance. Moreover, the protester's argument is largely based upon its belief that the only Eastern contracts that could have been considered were its military family housing contracts, a belief that, as discussed above, we do not share. In our view, the evaluators properly contacted Eastern's references for both the military family housing maintenance contract and one of the janitorial contracts to assess its past performance, and used their documented findings to assess Eastern's past performance. The references indicated that Eastern had provided very responsive service, praised the quality of its work, and spoke highly of Eastern's commitment to customer satisfaction. To the extent that All Star argues that it was improper for the agency to give its proposal and Eastern's the same low risk rating in light of All Star's more extensive experience, the fact that both offerors received the same risk rating does not mean that the agency viewed them as being of equal quality. See A & W Maintenance Servs., Inc., B-255711, Mar. 25, 1994, 94-1 CPD ¶ 214, recon. <u>denied</u>, B-255711.2, Jan. 17, 1995, 95-1 CPD ¶ 24. In fact, the SSA states that she considered the minimal decreased risk associated with awarding to All Star, but determined that it did not justify the additional cost. Under the circumstances, we see no basis to question the low risk rating given Eastern's proposal.

All Star finally alleges that the Navy's failure to rate each individual factor and criterion is evidence that it did not give equal weight to the evaluation criteria as required by the RFP, and that the agency improperly overlooked the strengths associated with its incumbency and experience. The mere fact that the Navy did not rate each individual factor and criterion prior to arriving at an overall rating does not show that the criteria were not equally weighted. Moreover, we see no indication in the narrative assessments underlying the overall ratings that the factors were not equally weighted, and, in a sworn statement submitted in response to the protest, the TEP Chairperson confirms that the factors were given equal weight. There is also no evidence that the SSA overlooked the additional strengths presented by All Star's proposal; in fact, the source selection decision specifically acknowledged the strength associated with All Star's incumbency. All Star's

Page 6 B-271119

disagreement with the weight accorded these strengths does not mean that they were overlooked. See MGM Land Co.; Tony Western, B-241169; B-241169.2, Jan. 17, 1991, 91-1 CPD \P 50.

The protest is denied.

Comptroller General of the United States

Page 7